

State of the State Address
Delivered by Governor Bob Holden
Wednesday, January 23, 2002

"MEETING OUR CHALLENGES TOGETHER"

Mr. President, Mr. Speaker, Mr. President Pro Tem, Distinguished State Officials, Mr. Chief Justice, members of the Missouri State Supreme Court, members of the 91st General Assembly, and citizens of the State of Missouri:

The state of our state today, like the state of our nation, is one of challenge.

We are challenged from without by a terrorist threat.

We are challenged from within by a recession that grips not only Missouri, but all of America.

We are challenged to live within our means while we continue to provide for those who most need our help and while we continue to build Missouri's future.

It's tough, but we are going to get it done.

We are Missourians, and we know how to work together to meet our challenges.

That's the kind of thing you learn about early in life when you grow up like I did in a small Ozark community.

A community where everyone was just trying to get by -- to keep a roof overhead, food on the table, clothes on our backs, and the bills paid.

A big Saturday night at our house was popping popcorn, splitting a couple of Cokes among six people, and going to a drive-in movie.

We didn't have a lot, and what we had wasn't fancy.

But we were among the most fortunate kids in our community because we had a loving and supportive family.

Raising a family in Birch Tree, Missouri, in the 1950s and 1960s was a real challenge for many.

But my parents never saw it that way.

They saw it as an opportunity -- an opportunity to raise their children in a caring and safe environment.

An opportunity to raise us in a place where with a little struggle and a little sacrifice you could give your children a better tomorrow.

A place where as a family and a community you could all stick together and get the job done.

I've thought about those days a lot over the last few months as our Missouri economy has slid from record growth to recession.

I've thought about the examples the people of Birch Tree set for us while I was growing up -- each generation doing its part so the next generation would have greater opportunities.

There is no better example of this than one set recently by an outstanding Missourian.

She has joined us here today, and I want you to meet her.

She had some unusual aspirations while she was growing up in southeast Missouri.

While other young women dreamed of becoming doctors or business executives or teachers or shopkeepers, she dreamed of becoming something girls couldn't be.

She wanted to be an astronaut.

She never missed the coverage of a space launch -- often watching with her father who worked as a machinist at a factory.

And she didn't dwell on insurmountable barriers standing in her way -- for example, the fact that NASA wouldn't even consider women applicants for astronaut duty.

In spite of this, she knew if she was ever to realize her dream, she would need to get the best education possible.

And she got that education right here in our Missouri public schools.

She graduated from high school in Jackson, Missouri, and received her undergraduate degree at Southeast Missouri State University.

Then she did graduate work at the University of Missouri-Columbia where she received a master's degree in science and a doctorate in physics.

In her spare time, she learned to fly.

In 1978, when NASA began taking women applicants for the astronaut corps, Linda knew that instead of having no chance to become an astronaut, she would now have one chance in a million.

She was one of only a hundred applicants to be interviewed out of the thousands that applied.

On her first and second go-around, she was turned down.

And after two rejections, I am sure a lot of us would think there are other ways to make a living.

But our honored guest doesn't think that way.

She was persistent, and in the newspapers and on television not too long ago, there were pictures of her at work.

In outer space.

On the International Space Station.

As a member of the crew of Space Shuttle Endeavour.

This young woman who once walked the hills and fields of rural Missouri, dreaming great dreams and gazing up at the stars, gazed down on Missouri as she walked in space.

Today she walks with us.

She is here with her husband, a former astronaut himself who hails from our neighboring state of Illinois.

Ladies and gentlemen, please welcome home our Missouri astronaut Linda Godwin and her husband Steven Nagel.

Linda and Steven, would you please stand.

Linda Godwin's accomplishments are a shining example of how all children growing up in Missouri can rise to meet their personal challenges if they work hard, and if we -- their parents and teachers -- provide the opportunity and support for a good education.

The lessons we must take from Linda Godwin are as important as they are obvious.

In times of challenge, we must keep sight of our goals.

We must stick together.

We must get the job done.

The economic outlook confronting the state of Missouri in fiscal year 2003 presents a major challenge.

We were experiencing record prosperity through the late 1990s.

But now we are in the midst of a national recession -- made even more severe by the events of September 11th.

As Governor, I have a constitutional responsibility to keep the state budget in balance, and I will do so.

As all of you sitting in this chamber know, the state's budget is not all that different from the budget every Missouri family has at home.

Once you take out the money you have to spend on basics like food, rent, and outstanding bills, the amount you actually have control over is only a small fraction of what you take in.

So in formulating the state's spending plan for this year, we are going to have to do what all Missouri families do when they gather around the kitchen table to look at their budgets.

We will make some tough choices that will limit state spending to the amount of our projected revenue.

And we will do so without an across-the-board-tax increase.

In doing this, we will be guided by four key principles.

First, we will redouble our efforts to reduce government waste and to improve the efficiency and management of the administration of state government.

We have had success in this area, but we must do more.

At a time when we must ask some Missourians to accept less in state services, we must be able to assure all that they are getting the most from every dollar we spend on running state government.

Second, in making the hard choices to reduce programs and spending, we have tried to protect services as best we could for those who need us the most -- the children, the elderly and the disabled.

Third, we will refuse to allow the challenges of the present to prevent us from building Missouri's future.

And fourth and most important, we will keep as our first priority the education of our children.

We will provide full funding with full accountability for our K-12 public schools.

We should not rest until all our schools and all our students are performing at their maximum potential.

Because I know all of you share my belief that educating our children is our top priority, I ask your help in approving important legislation to achieve these goals.

Now, let's get to some specifics.

THE BUDGET

Last year I directed our state budget office to begin the most thorough review of the state budget ever conducted.

This performance-based review evaluates the results Missourians receive for their money in every program that our tax dollars fund.

Then I asked our departments to submit plans for how these programs would be changed if their funding was cut by 5, 10, and 15 percent.

This has allowed us to have the most thorough information ever compiled on Missouri state services.

And we have used this information to make the tough budget decisions that lie ahead.

The budget I am recommending today is smaller than the one you approved last year.

The amount of general revenue we have coming in is slowing down.

At the same time, costs for essential services and the population needing those services continue to grow.

Health care costs in Medicaid and for state employees are rising dramatically.

The largest increases are in the pharmacy programs as the cost of prescription drugs continues to escalate.

But if expenses and our served populations are going up and less money is coming in, then we must cut agency budgets.

As you know, we took dramatic steps to reduce state spending twice in 2001.

Altogether, we have reduced spending by \$612 million in the year since I took office.

Cuts in administrative costs have been deep -- from 15 to 30 percent in many places.

None of those were easy decisions.

And, unfortunately, all of those decisions together are not enough to keep us living within our means in the face of the deepening recession after September 11th.

The budget for fiscal year 2003 that I am proposing today is also filled with tough decisions.

Today, in order to balance the 2003 fiscal year budget, I am recommending \$480 million in core budget cuts.

These cuts demand that state government become smaller.

This new budget reduces the state work force by 688 positions.

Most of these will come from eliminating positions that are currently being held vacant.

We have agonized over this budget.

Our state budget staff and our department heads have provided many new ideas and innovative solutions to stretch our money as far as possible.

I thank them all for their efforts, which have been key to safeguarding vital public services.

Nevertheless, we remain in a position in which entire programs -- good programs -- will be eliminated.

Our state employees, who work so hard to deliver our state services, will go another year without a pay raise.

I regret that very much.

We value the work our state employees do on behalf of all Missourians, and we take actions that will affect their quality of life only as a last resort in these extremely challenging times.

And while I have made hard decisions, I am not willing to cut our budget so deeply that we leave our most vulnerable Missourians defenseless.

These are services that any just and humane society should provide to those less fortunate if at all possible -- such as psychiatric services for our mentally ill, support services for the mentally and developmentally disabled, and transportation for our seniors.

We must and will continue to meet these needs.

That is why I am calling on the General Assembly to authorize the release of \$135 million from the state's Rainy Day Fund so we do not put these Missourians at risk.

Such services are not mandated by law.

But they are mandated by our conscience.

Although our rocky economic climate demands that we make substantial cuts, we are using what resources we have to accomplish a number of very worthwhile goals.

We will deliver the Senior Prescription Drug Program we promised our seniors when we passed legislation last year during special session.

We will protect our most vulnerable children by not reducing the number of child abuse and neglect workers.

We will improve our security against terrorism throughout the state.

We will keep our commitment to our farmers by continuing to support the expansion of ethanol production in Missouri.

Because inmate population growth demands it, we will open the prison in Bonne Terre.

We must ensure that all our prisons are properly staffed to protect the security of our citizens and the safety of our employees.

We will preserve funding for our 115 local health agencies, that are the frontline in the delivery of public health services.

And we will ensure that no child will lose health insurance coverage.

I am also asking the General Assembly to give us the authorization to bond against future tobacco revenues to provide an alternative to fund critical services.

Several states have already done this.

This means we will have the ability to take some of our settlement in one lump sum if we need it, rather than having it spread out over many years.

In the year since I took office, we have made many improvements in the efficiency and management of state government, and many more improvements are in progress.

To intensify this effort, I will ask both state employees and private citizens to join task forces that I will create to improve performance in key areas of state government.

These teams will develop action plans to streamline state government in each vital area before this current fiscal year is over.

I also call on you to give our department directors more flexibility in running their departments.

They have the most complete and up-to-date information about where resources can best be used and need additional flexibility to manage through the core cuts in this budget.

We are already doing more than ever before to make state officials accountable for results.

We need to give them the tools to get the job done.

Greater flexibility will enable them to focus resources on the area of most concern at any time -- whether that is expenses, equipment, or personnel.

I would also like to see the General Assembly take a more proactive approach to reviewing laws.

We need to ensure that both new legislation and existing state laws to fund programs are reviewed regularly.

Rather than allowing programs to live forever, I want these programs to "sunset" unless the legislature and the Governor decide that their value exceeds the cost to taxpayers.

EDUCATION

Even in tough economic times, the key to overcoming the challenges that lie ahead of us is to give our children the good education they deserve.

That's the one advantage no one can take away from you.

My parents believed that, and so do I.

They knew that with an excellent education, my brothers, my sister, and I would be better prepared for any obstacles that came our way and would have the opportunity for a better life.

Just as then, in today's challenging times, we must make it possible for our children's dreams to direct their destiny.

Linda, I was just at your school in Jackson a few weeks ago.

Who knows what other Linda Godwins are out there in our Missouri classrooms?

But they can only fulfill their dreams if we give them a world class education.

Because of Missouri's public education, Linda Godwin was able to reach for the stars.

Lori and I want that for our boys and every boy and girl in Missouri.

We should not, and I will not, shortchange our K-12 public schools.

My top priority this year is to provide the increased funding necessary to meet our commitment to Missouri's public schools.

So I am asking you, the members of the General Assembly, to join me in supporting a legislative funding package.

This package increases revenues paid to the state by riverboats, closes administrative loopholes in our tax system, maximizes lottery revenues, and creates a new means of maximizing our revenues during this fiscal year -- tax amnesty.

But with our state straining to get the most out of every dollar, our state funding for education must be linked to increased accountability.

In August 1992, Missourians voted to require all of the net proceeds of our state lottery to go completely to education.

To assure voters that their wishes are being followed and eliminate any question about it, I will ask our State Auditor to conduct an audit of all lottery and riverboat gaming proceeds annually.

This will include a complete review of all constitutional and statutory requirements that direct where proceeds are legally mandated to go.

This audit must be completed by the last day of December of every year.

Full funding tied to full accountability means full value for our investment.

The best way we can improve our schools is by enhancing accountability standards at the schools that are not performing as well as others, and cutting red tape for those schools that are doing well.

Recently, we unveiled my unprecedented plan.

It requires underperforming schools to map out a comprehensive strategy to correct problem areas.

They must do so to receive continued state funding.

My reforms will ensure that teachers and individual schools in these districts have the professional development tools at their disposal to do the best job.

I want our underperforming schools to target at least one of a range of reforms that have demonstrated that they improve student performance.

One of the following strategies, proven to be successful, has to be implemented in these schools:

- reduction of class size in problem areas to allow teachers more time for individual student attention;
- preschool and full-day kindergarten to enable young students to get off to a good start;

- the hiring of teacher specialists to provide additional attention to those subject areas where improvement is necessary to address poor achievement;
- after-school programs, summer school programs, and one-on-one tutoring to provide underperforming students with the help they need to improve their chances for success;
- and reduction of school size or the establishment of schools within schools or alternative schools to improve the learning environment.

In this way, each school can target a plan to address its own unique problems.

This is not a one-size-fits-all solution.

Local schools know better than we do here in Jefferson City what they need to do to improve their own students' performance.

Our mission will be to set the standards to ensure that local accountability leads to improved performance in these priority schools.

I ask for your help and support in this effort.

Because I believe these reforms are vital for Missouri's future.

Lori and I will be carrying this message to schools and communities all across our state over the next few months.

With these unparalleled reforms, we can make Missouri's public schools among the best in the nation.

We can shape the well-educated, productive work force that will ensure Missouri's future.

We cannot afford to be satisfied with anything less -- no more excuses.

SECURITY

After the death and destruction of September 11th, Missourians stepped up to meet the challenge of keeping our citizens safe.

We have refused to allow terrorist threats to disrupt our way of life.

We must now go about our business with new safeguards in place to protect the security of all Missourians.

We want to do all that we can to be prepared for any future acts of terrorism.

I am proud that Missouri is being held up as a model state in the way we responded to the events of September 11th.

We were the first state to appoint a cabinet level Special Advisor on Homeland Security to coordinate our state security efforts.

And I want to congratulate Colonel Tim Daniel for the great job he is doing.

Colonel Daniel, would you please stand so we can acknowledge you for your work.

Another individual who is responsible for the high marks we are receiving after September 11th is our Director of Health and Senior Services, Dr. Maureen Dempsey.

We are the only state to establish an agreement between our Department of Health and Senior Services and the FBI to investigate possible criminal actions where chemical or biological agents are present.

And I want to commend Dr. Dempsey for her fine work.

Dr. Dempsey, would you please stand.

We were among the first states in the nation to appoint a State Security Panel to assess our security needs.

I look forward to reviewing their recommendations in two days, and I will be recommending new legislation this year based on their ideas.

As you know, I have already proposed several initiatives.

We must make it a felony crime to make false terrorist threats.

And we must make those who try to take advantage of Missourians with price gouging during state emergencies pay dearly for this abuse.

And I have made certain that everyone understands that our new state health lab, which is sorely needed, is moving forward as planned and on schedule.

Construction will begin as originally planned in 2003.

After studying our Missouri Security Panel's report thoroughly, I will urge you to support appropriate changes to our criminal codes and public health laws to

protect our citizens.

I want Missouri to send a clear message that we will not tolerate assaults on our democracy.

We will not be bullied.

We will not be threatened.

We will not be stopped.

CONCLUSION

We as a nation are still in the process of overcoming the challenges left in the aftermath of September 11th.

But sometimes our challenges go beyond the personal.

As we have seen so dramatically in the months since September 11th, sometimes we are called upon to meet great challenges from without, as well as from within.

One of those people who has been directly involved with those efforts in New York is the Missourian who is with me today.

Dante Glinecki, who works at our State Emergency Management Agency, has a special skill that is very much needed in times of terrible disaster.

At such times everyone, everywhere, wants to offer food, clothing, and other help.

Delivering those goods in a timely and effective way to those who need them is a tremendous challenge.

Without a system to match relief with recipients, the good intentions and donations of millions can quickly go to waste.

From his organizational relief work during the Missouri floods and similar assistance in other state emergency situations, Dante gained a national reputation as one of the leading authorities in this area.

So when disaster struck in New York, they called for him by name.

And, of course, he went.

Dante not only played a key role in helping the New York recovery efforts, but also had the opportunity to witness, in a very personal way, the victory we have experienced as a democracy following September 11th.

He saw that those who sought to bring us down actually lifted us up.

He saw Americans come together after those horrible events to reaffirm the strength of our democracy.

He proudly represented all of us in New York, and we are proud of him.

Please join me in saluting Dante Glinecki.

Dante, would you please stand.

Dante demonstrated the resolve of all Missourians in responding to a dramatic challenge.

In my first year as Governor, I have seen that same resolve in so many Missourians who make a difference for all of us every day.

One of the programs I initiated in our schools after September 11th was a program called Adopt-A-Hero.

I wanted our schoolchildren to be more aware of how many wonderful role models are right there among them.

I called on them to pick someone out of their community who was making a significant difference in other people's lives.

Many schools responded.

Many heroes have been named.

Dante was adopted by Scullin Elementary School in St. Louis.

And there are many more.

There is the fifth-grader who saved his birthday and allowance money to buy a wheelchair for a 7-year-old boy from Turkey.

There is the retired teacher who returned to the classroom full-time when the teacher of a fourth-grade class was shot and killed at a shopping mall.

There are the firefighter and the police officer who give so much of their time working to improve the safety of their local schools.

Several of these heroes are with us today along with some of the students who adopted them.

I'd like them to stand up in the back gallery so we can give them a proper welcome.

All across this great state, Missourians are working together to make a difference...overcoming challenges every day.

Today, you have met many Missouri heroes who are leading by example.

As we strive to meet the challenges of the coming year, we in this chamber also must lead by example.

We have demonstrated we can.

We proved it just last year with our women's health initiative and senior prescription drug relief bill, when we put politics aside to do what is right for Missouri.

Now, in this difficult budget year, working together is more important than ever.

Many of you are sitting in these chambers for your last session -- 73 in the House and 12 in the Senate.

On behalf of Missourians everywhere, I want to thank you for your dedicated public service.

But I also call on you to make these final days of service truly matter.

Let this session be your finest hour.

There is much we can accomplish.

I've lived through hard times.

And many of you and your families have lived through hard times, too.

But we never let it get the best of us.

I didn't then, and I'm not about to now.

Certainly, the challenges we are facing today will test us.

But by overcoming them, we become stronger.

We can make Missouri better by working smarter and harder.

Let's roll up our sleeves and get started.

Let's meet the challenges head on.

Let's get the job done.

And let's do it in a way that will make Missourians proud.

Thank you.

